# OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT

#### AMENDMENT TO NOTICE OF FUNDING AVAILABILITY

FY23 Food Access Fund Grant - Round 4

**Grant Identification No.: DMPED - FY23 FAF** 

Request for Application (RFA) Release Date: December 12, 2022

## This notice supersedes the notice published in DC Register on 11/11/2022 volume 69/45

The Office of the Deputy Mayor for Planning and Economic Development (**DMPED**) is soliciting applications from qualified food-related businesses seeking to expand their existing operations through the opening of a new business location in an area designated as having low food access (as set forth in the Act), with priority given to locations in Ward 7 and 8. The grant will be awarded pursuant to the Local Food Access Grants Emergency Amendment Act of 2021 (DC Official Code Sec. 1-328.04 (o).).

**Purpose**: The purpose of the Food Access Fund (**FAF**) Grant is to increase equitable access to fresh, healthy, and affordable food by securing grocery stores, and restaurants; support existing small businesses; attract new businesses; increase the District's tax base; create new job opportunities for District residents; and transform designated emerging commercial corridors into thriving and inviting neighborhood centers. The FAF Grant will support qualified businesses with capital for tenant improvements related to expansion of operations into a new location in an area identified as having low food access (as set forth in the Act), with priority given to locations in Ward 7 or Ward 8.

**Award:** DMPED will award up to a maximum of \$10,688,513.00 in grants to successful grantees under this program.

**Funding Priorities:** The FY23 FAF Grant identified the following program funding priorities.

- 1. To improve access to food options for residents of areas that currently have low access by encouraging existing food-related businesses to expand their operations to a new location in areas with low food access (as set forth in the Act), with priority given to locations in Ward 7 or Ward 8.
- 2. To expand the local food ecosystem and support fresh food retailers and providers through grants.

#### **Eligible Applicants:**

For the purpose of the Request for Applications, Eligible Applicants will be defined as one of the following:

- Existing food-related businesses with at least two (2) years of revenue generating operations, which are expanding to a new location in an area with low food access (as set forth in the Act), with priority given to Ward 7 or Ward 8. Food-related businesses shall include, but not be limited to:
  - o Full-service grocery stores;
  - Restaurants, including new concept brands of existing restaurant businesses, prioritizing those with a dine-in component;
  - o Taverns;
  - o Neighborhood-based eligible food operators;
  - o Local Business Enterprise (LBE) eligible food operators; and
  - o Food Halls.
  - Property owners, on behalf of food-related business tenants
    - The property owners of the project must demonstrate a commitment to support the sustainability of local business tenancy by providing specific amenities and/or inducements, which may include rent concessions or abatements.
    - The tenants must be identified and/or secured through letters of intent evidenced by executed lease agreements or executed commitments to lease.
    - Preference will be given to property owners who commit to securing locally minority-owned or women-owned food-related businesses.

Applicants must commit to commence construction on the project within eighteen (18) months of the date of the executed grant agreement.

#### **Ineligible Applicants:**

The following types of businesses are ineligible to receive grant funding under this program:

- Adult entertainment
- Auto body repair
- Bank
- Construction/general contracting/architecture/designbuild
- Dessert business<sup>1</sup>
- E-commerce business<sup>2</sup>

- Financial services
- Home-based
- Hotel
- Liquor store
- Nightclub, as defined by ABRA and DCRA licensure<sup>3</sup>
- Phone store
- Professional services<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Includes confectioneries, ice creameries, pastry shops, and pie shops.

<sup>&</sup>lt;sup>2</sup> For the purposes of this Request for Applications, an e-commerce business is defined as a commercial entity (1) without an existing, revenue-generating brick-and-mortar retail operation physically situated in the defined boundaries of a designated Great Street corridor and (2) whose business operations and/or sales transactions for the exchange of goods and services are conducted solely online.

<sup>&</sup>lt;sup>3</sup> Any business holding an ABRA Nightclub license is ineligible.

<sup>&</sup>lt;sup>4</sup> Professional services are defined as any business offering accounting, actuary, architectural, dentistry, engineering, evaluator services, financial planning, legal services, physician care, registered nurse/nursing services, and training/development providers.

- Real estate development/property management/realtor
- Seasonal (open only part of the year)
- Developers / Property Owners that received Neighborhood Prosperity Fund (NPF) awards

- within the last two (2) years of 12/12/2022, are not eligible to apply for an awarded project, unless the Developers/Property Owners are operators of the business at the property.<sup>5</sup>
- Expansion into more space at an existing location

### **Eligible Funding Uses:**

The following are eligible funding uses:

Up to 100% of the grant can be applied towards the following hard costs and operating costs:

- Build-out of new or vacant space
- Purchase and installation of heavy equipment, fixtures, or furniture that is permanently attached to a wall, floor, or ceiling
- Rent
- Mortgage, not to exceed the lesser of \$35.75 per square foot or 25% of the sale price for Property Owners that operate the business at the property
- Security, for applicable grocery stores
- Furniture, fixtures, and equipment items that are directly responsible for the performance of the qualified food related business and subject to written approval from DMPED

The following are NOT eligible uses of funds:

- Debts, not listed above
- Expenses associated with preparing this application
- Inventory
- Legal fees
- Marketing
- Payroll
- All expenses not listed above as eligible uses of funds

**Award:** Based on the external and internal review panel recommendations, the Mayor's budget priorities, the resources available, the goal of achieving a balance as to communities served, and the goals of the program, DMPED will make the final funding decision. DMPED will award up to **\$10,688,513.00** in grant funds.

**Availability of RFA:** The RFA and the grant application will be released on December 12, 2022 and posted at <a href="https://dmped.dc.gov/page/food-access-fund">https://dmped.dc.gov/page/food-access-fund</a>.

despite a developer/ property owner having received prior NPF awards for the overall project.

<sup>&</sup>lt;sup>5</sup> A business/tenant may apply on behalf of themselves,

**Selection Criteria:** Applications will be evaluated based on the scoring criteria set forth in the RFA.

**Application Period:** The applications will be reviewed per the following schedule:

Applications will no longer be accepted after Wednesday, January 13, 2023 at 5:00 PM EST.

**Application Process:** The application process will include an initial screening of applications, a review panel process, and a final review to determine the final funding decision. Each step will be further described in the RFA.

Period of Performance: Date of executed grant agreement through September 30, 2025.

**Grant Information Sessions:** DMPED will host a virtual information and live web chat session on the Food Access Fund Grant. Once confirmed, details about the information sessions will be posted on the Food Access Fund Grant website at <a href="https://dmped.dc.gov/page/food-access-fund">https://dmped.dc.gov/page/food-access-fund</a>.

**Reservations:** DMPED reserves the right to issue amendments subsequent to the issuance of this NOFA or individual RFA or to rescind the NOFA or individual RFA.

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